



FAIR POLITICAL PRACTICES COMMISSION

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February 2, 2006

Michael A. Paiva
Senior Legislative Advocate
Personal Insurance Federation of California
980 Ninth Street, Suite 2030
Sacramento, CA 95814

This advice letter is **SUPERSEDED** by *Olson*, Advice Letter No. I-15-065 to the extent that it conflicts with amendments to Section 82015 and Regulation 18215 and the conclusions in that letter that lobbyists are prohibited from hosting in-home fundraisers.

Re: Your Request for Advice
Our File No. A-06-014

Dear Mr. Paiva:

This letter is in response to your request for advice regarding the campaign provisions of the Political Reform Act (the "Act").¹

QUESTION

Will the cost of a fundraising event to be held in your home on behalf of a candidate result in a contribution to the candidate if you pay up to \$500 for the event and the candidate pays for food and drink, resulting in a total cost in excess of \$500?

CONCLUSION

Yes. The cost of the food and drink provided by the candidate must be calculated into the total cost of the fundraiser to determine whether the event meets the Act's exception for home or office fundraisers. If the total cost of the fundraiser is more than \$500, your personal expenditures will be a contribution to the candidate.

FACTS

You are a registered lobbyist for the Personal Insurance Federation of California (PIFC). Your home is a single family residence and you do not rent out your home or in any way treat your home as a business. You plan to host a fundraiser in your home for a candidate for which you will pay up to \$500 of your personal funds.

¹ Government Code sections 81000 – 91014. Commission regulations appear at Title 2, sections 18109-18997, of the California Code of Regulations.

ANALYSIS

The term "contribution" is defined in the Act as a "payment, ...except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes." (Section 82015.) A payment is made for political purposes if it is: (1) for the purpose or influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate or candidates, or the qualification or passage or any measure; or (2) received by or made at the behest of a candidate. (Regulation 18215(a).)

Subdivision (f) of section 82015 provides an exception to the term "contribution" for payments made by the occupant of a home or office for costs related to any meeting or fundraising event in the occupant's home or office if the costs for the meeting or fundraising event are \$500 or less. The Commission's longstanding advice has been that the total cost of such an event cannot exceed \$500 and still come within the exception. This includes goods or services provided by the candidate or any other person attending the event. (*Thompson* Advice Letter, No. A-86-121; *Watson* Advice Letter, No. I-94-219; *Raper* Advice Letter, No. I-97-282; Campaign Disclosure Manual 1 for State Candidates, Their Controlled Committees, and Primarily Formed Committees for State Candidates, May 2005, page 3-2.) Therefore, if the food and drink provided by the candidate causes the total cost of the event to exceed \$500, your personal expenditures will result in a contribution to the candidate.²

If you have any other questions regarding this matter, please contact me at (916) 322-5660.

Sincerely,

Luisa Menchaca
General Counsel



By: Carla Wardlow
Division Chief
Technical Assistance Division

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² You have provided no information about the candidate on whose behalf the event is planned. Please note that section 85702 prohibits a lobbyist from making a contribution to an elected state officer or a candidate for elective state office if the lobbyist is registered to lobby the agency for which the candidate is seeking election or the agency of the elected state officer.